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India

LOCK-UP REPORT

Oilseeds and Products: Quarterly Lock-up Report - November

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Report Highlights:

Area planted to major kharif season (fall and early winter harvest) oilseeds, which include mostly peanut, soybean and sunflower, was down 6.3 percent at 14.7 million hectares due to poor monsoon rains. With larger-than-expected carry over stocks, the MY 2009/10 forecast for edible oil imports is set at 7.8 million tons, 500,000 tons below the MY 2008/09 record of 8.3 million tons. Total oil meal exports for MY 2009/10 are forecast at 4.2 million tons, marginally higher than MY 2008/09 exports.

Post:

New Delhi

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PEANUT PLANTING DOWN

According to the Agriculture Ministry's progressive planting report ^[1] for the week ending October 16, 2009, area planted to kharif oilseeds, which includes mostly peanuts, soybean and sunflower, was down 6.3 percent at 14.7 million hectares. Most of the decline in planted area was due to poor monsoon rains or floods in major peanut growing areas.

Soybean planted area stood at 9.6 million hectares, unchanged from last year. Based on initial crop assessments, the soybean production estimate for MY 2009/10 is revised to 8.8 million tons, down from the earlier annual forecast of 10.1 million tons. Although crop conditions were near normal in the major soybean growing state of Madhya Pradesh, delayed planting and unfavorable weather conditions during critical growth periods lowered yields in Maharashtra and Rajasthan. However, late season rains over major soybean growing regions prevented further yield losses.

Peanut planting this kharif season was down by 16 percent from last year's level at 4.4 million hectares. Area planted to the rabi (winter) season peanut crop is estimated at 700,000 hectares, taking MY 2009/10 total peanut acreage to 5.1 million hectares. Assuming normal winter rains, total MY 2009/10 peanut production is forecast at 5 million tons.

Area planted to kharif **sunflower** this year declined to 605,000 hectares from 679,000 hectares last year. Assuming normal winter planting, MY 2009/10 sunflower is forecast at 1.65 million hectares and production at 940,000 tons, marginally down from the MY 2008/09 estimate.

Rains during first week of October in major mustard/rapeseed growing regions of Rajasthan gave a good start to planting operations. However, lack of follow-up rains and above normal temperatures delayed planting operations. Poor soil moisture and reduced irrigation availability might prompt farmers to shift from more irrigation intensive wheat to rapeseed, resulting in larger rapeseed acreage in MY 2009/2010.

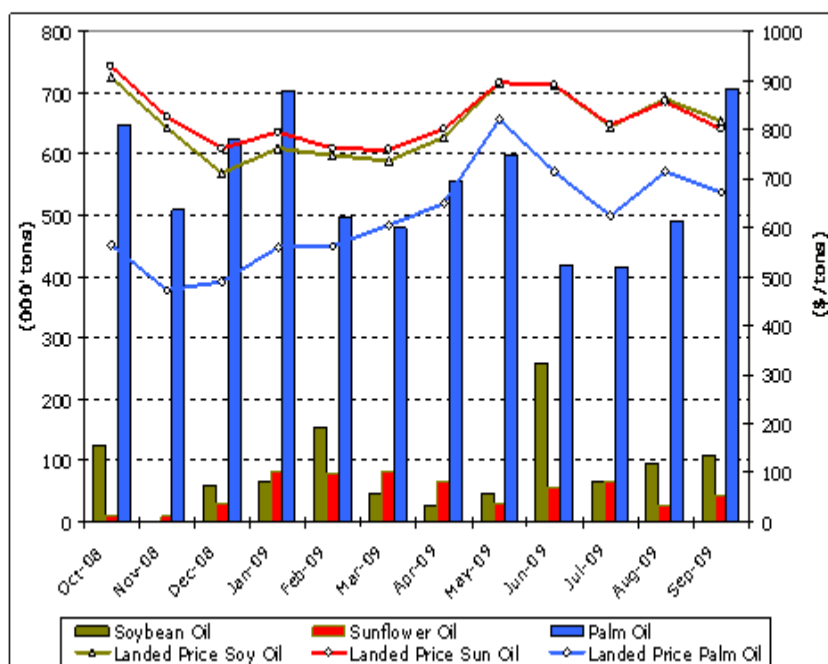
EDIBLE OIL IMPORTS UP

The edible oil import forecast for MY 2009/10 is revised to 7.8 million tons. Anticipating a decline in kharif oilseed production and taking advantage of the lower international prices of vegetable oils (See Chart 1) and the zero import duty, private traders have been buying large quantities of vegetable oils in recent months. Total edible oil imports during the October 2008 to September 2009 period were up by 57 percent, reaching a record 8.3 million tons (Table 1), which included 6.6 million tons of palm oil, 1 million tons of soybean oil (172,600 tons from the U.S.), 583,000 tons of sunflower oil, and 65,000 tons of other oils (mostly canola, cottonseed and coconut).

Importer interest is expected to continue, especially in light of the zero import duty on crude edible oils. The MY 2009/10 import forecast includes 6.4 million tons of palm oil, 900,000 tons of soybean oil, and 420,000 tons of sunflower seed oil and 60,000 tons of other edible oils.

[1] <http://agricoop.nic.in/ncfcweather/ncfcasOct-16-2009.pdf>

Chart 1: Imports and Landed price of Crude Soy, Sunflower and Palm Oil (\$/metric ton)



Source: Solvent Extractors' Association (SEA) of India

Table 1: Edible Oil Imports (1000 Metric tons)

	Oct-08	Nov-08	Dec-08	Jan-09	Feb-09	Mar-09	Apr-09	May-09	Jun-09	Jul-09	Aug-09	Sep-09	Oct-08-Sep-09	Oct-07-Sep-08	% Change
RBD palm-olein	193	138	129	142	63	40	104	143	61	77	110	147	1,346	550	145
Crude palm oil	452	364	487	549	432	432	432	445	354	334	373	544	5,198	3,962	31
Crude palm olein	0	0	0	0	0	0	0	0	0	0	0	1	1	22	97
Crude Palm kernel oil	2	7	8	12	3	7	21	11	4	4	8	14	102	25	318
Total palm oil	648	509	624	704	498	479	556	599	419	416	490	705	6,647	4,558	46
Crude soy oil	126	0	61	67	154	46	26	48	259	66	96	110	1,060	731	45
Refined soy oil	0	0	0	0	0	0	0	0	0	0	0	0	0	2	100
Total soy oil	126	0	61	67	154	46	26	48	259	66	96	110	1,060	733	45
Crude	11	8	32	84	78	84	67	30	55	66	26	42	583	18	3,114

sun oil																
Refined sun oil	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Total sun oil	11	8	32	84	78	84	67	30	55	66	26	42	583	2	-	
Canola Rape oil	0	0	0	2	0	0	5	19	8	4	0	4	42	0	0	
Cotton seed oil	0	0	0	0	0	0	0	0	0	5	0	0	5	0	0	
Coconut oil	2	2	2	1	0	0	6	0	2	0	0	3	18	13	40	
Grand Total	787	519	719	857	730	610	659	697	742	557	613	865	8,355	5,307	57	

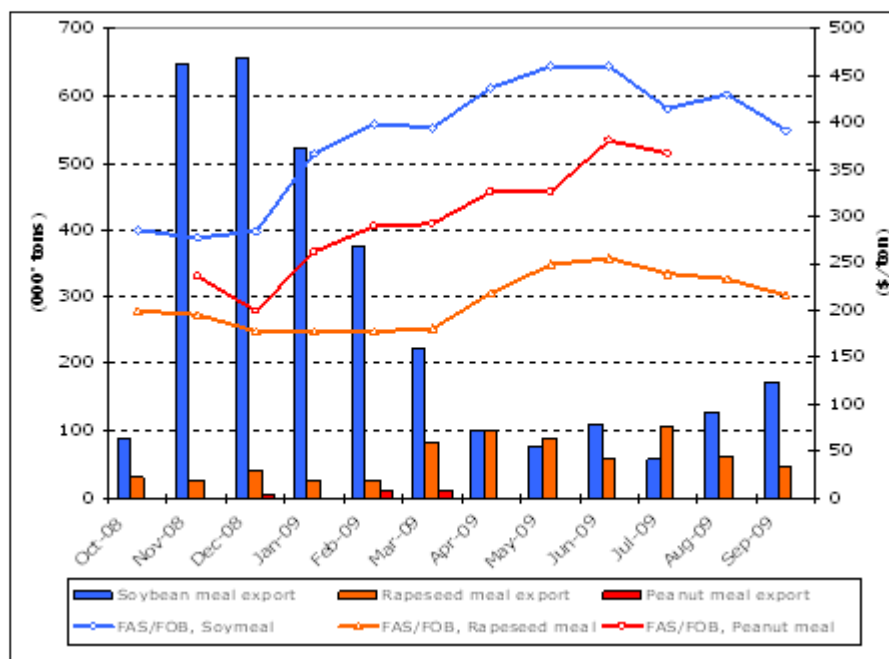
Source: Solvent Extractors' Association (SEA) of India

Oilmeal Exports Down

With the assumption of increasing domestic feed demand resulting in higher domestic prices for oil meals, total oil meal exports for MY 2009/10 (which includes mostly soybean and rapeseed meal) are forecast at 4.2 million tons. The export forecast includes 3.4 million tons of soymeal, 750,000 tons of rapeseed meal and 60,000 tons of other oilmeals.

Total oil meal exports in MY 2008/09 were down 37 percent from the previous year, due to lower domestic crushing, and subdued demand from Asian, Middle East and European countries (Table 2).

Chart 2: International Prices of Oilmeals and Exports



Source: SEA and Industry,

Note: Peanut FAS/FOB not quoted for Aug-09 and Sept-09

Table 2: Oilmeal Exports (Metric tons)

	Soybean meal	Rapeseed meal	Peanut meal	Rice bran meal	Sunflower meal	Castor meal	Total
Oct-08	88,723	30,318	0	6,075	0	28,320	153,436
Nov-08	647,400	26,335	0	2,435	0	617	676,787
Dec-08	655,882	41,318	5,700	0	0	631	703,531
Jan-09	521,243	27,680	0	503	0	14,800	564,226
Feb-09	375,098	27,558	10,748	5,490	0	21,901	440,795
Mar-09	224,639	83,041	11,300	8,200	0	10,820	338,000
Apr-09	100,106	102,187	0	19,348	0	16,944	238,585
May-09	77,018	87,472	0	3,560	0	7,300	178,350
Jun-09	109,923	58,805	0	12,580	239	16,046	197,593
Jul-09	58,268	107,144	0	6,430	487	1,000	173,329
Aug-09	127,299	61,668	0	5,710	515	19,615	214,807
Sep-09	171,955	45,318	0	0	251	13,773	231,297
Oct 08-Sep-09	3,157,554	698,844	27,748	70,331	1,492	151,767	4,110,736
Oct 07-Sep-08	4,790,479	1,143,453	97,483	189,114	1,025	293,951	6,515,505
% Change	-34	-39	-72	-63	46	-48	-37

Source: Solvent Extractors' Association of India

Table 3: Commodity, Soybean, Oilseed, PSD

Oilseed, Soybean India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area Planted	8,800	8,800	8,800	9,600	9,600	9,600	9,200	9,800	9,600
Area Harvested	8,800	8,800	8,800	9,600	9,600	9,600	9,500	9,800	9,600
Beginning Stocks	53	84	84	123	124	124	393	267	661
Production	9,470	9,470	9,470	9,100	9,650	9,100	9,000	10,100	8,750
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	9,523	9,554	9,554	9,223	9,774	9,224	9,393	10,367	9,411
MY Exports	5	5	5	5	7	8	5	8	8
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	8,170	8,250	8,250	7,500	8,200	7,200	8,000	8,850	7,800
Food Use Dom. Cons.	380	345	345	425	400	430	450	415	450
Feed Waste Dom. Cons.	845	830	830	900	900	925	850	940	950
Total Dom. Cons.	9,395	9,425	9,425	8,825	9,500	8,555	9,300	10,205	9,200
Ending Stocks	123	124	124	393	267	661	88	154	203
Total Distribution	9,523	9,554	9,554	9,223	9,774	9,224	9,393	10,367	9,411

Table 4: Commodity, Soybean, Oilmeal, PSD

Meal, Soybean India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data

Crush	8,170	8,250	8,250	7,500	7,200	7,200	8,000	8,350	7,800
Extr. Rate, 999.9999	1.	1.	0.7967	1.	1.	0.7847	1.	1.	0.7885
Beginning Stocks	429	202	202	106	65	65	452	365	377
Production	6,521	6,573	6,573	5,985	5,650	5,650	6,383	6,650	6,150
MY Imports	2	0	0	2	0	0	2	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	6,952	6,775	6,775	6,093	5,715	5,715	6,837	7,015	6,527
MY Exports	4,790	4,790	4,790	3,158	3,200	3,158	3,700	4,500	3,400
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	90	220	220	90	200	210	90	220	230
Feed Waste Dom. Cons.	1,966	1,700	1,700	2,393	1,950	1,970	2,658	2,100	2,400
Total Dom. Cons.	2,056	1,920	1,920	2,483	2,150	2,180	2,748	2,320	2,630
Ending Stocks	106	65	65	452	365	377	389	195	497
Total Distribution	6,952	6,775	6,775	6,093	5,715	5,715	6,837	7,015	6,527

Table 5: Commodity, Soybean, Oil, PSD

Oil, Soybean India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Crush	8,170	8,250	8,250	7,500	7,200	7,200	8,000	8,350	7,800
Extr. Rate, 999.9999	0.	0.	0.1765	0.	0.	0.1764	0.	0.	0.1763
Beginning Stocks	250	207	207	132	85	85	193	195	105
Production	1,458	1,456	1,456	1,340	1,270	1,270	1,428	1,470	1,375
MY Imports	733	732	732	1,060	900	1,060	890	700	900
MY Imp. from U.S.	1	0	0	3	0	173	3	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	2,441	2,395	2,395	2,532	2,255	2,415	2,511	2,365	2,380
MY Exports	9	10	10	9	10	10	9	15	15
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	0	0	0	0	0	0	0	0	0
Food Use Dom. Cons.	2,300	2,300	2,300	2,330	2,050	2,300	2,293	2,200	2,300
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	2,300	2,300	2,300	2,330	2,050	2,300	2,293	2,200	2,300
Ending Stocks	132	85	85	193	195	105	209	150	65
Total Distribution	2,441	2,395	2,395	2,532	2,255	2,415	2,511	2,365	2,380

Table 6: Commodity, Peanut, Oilseed, PSD

Oilseed, Peanut India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Jun 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area Planted	6,500	6,700	6,700	6,850	6,400	6,400	6,600	6,600	5,600
Area Harvested	6,500	6,500	6,500	6,400	6,400	6,400	5,400	6,600	5,600
Beginning Stocks	74	24	24	104	54	54	124	164	164

MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	1,687	1,690	1,690	1,590	1,605	1,605	1,390	1,805	1,355
MY Exports	30	30	30	30	30	30	20	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Industrial Dom. Cons.	15	15	15	15	10	10	15	12	12
Food Use Dom. Cons.	1,597	1,600	1,600	1,410	1,500	1,500	1,345	1,700	1,280
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	1,612	1,615	1,615	1,425	1,510	1,510	1,360	1,712	1,292
Ending Stocks	45	45	45	135	65	65	10	93	63
Total Distribution	1,687	1,690	1,690	1,590	1,605	1,605	1,390	1,805	1,355

Table 9: Commodity, Sunflower, Seed, PSD

Oilseed, Sunflowerseed India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Area Planted	1,900	1,630	1,630	2,200	1,530	1,530	2,200	1,650	1,650
Area Harvested	1,630	1,630	1,630	1,530	1,530	1,530	1,750	1,650	1,650
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	1,120	1,120	1,120	1,000	1,000	1,000	1,000	980	940
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	1,120	1,120	1,120	1,000	1,000	1,000	1,000	980	940
MY Exports	0	0	0	0	0	0	0	0	0
MY Exp. to EU	0	0	0	0	0	0	0	0	0
Crush	1,017	1,025	1,025	900	915	915	900	900	860
Food Use Dom. Cons.	0	0	0	0	0	0	0	0	0
Feed Waste Dom. Cons.	103	95	95	100	85	85	100	80	80
Total Dom. Cons.	1,120	1,120	1,120	1,000	1,000	1,000	1,000	980	940
Ending Stocks	0	0	0	0	0	0	0	0	0
Total Distribution	1,120	1,120	1,120	1,000	1,000	1,000	1,000	980	940

Table 10: Commodity, Sunflower, Oilmeal, PSD

Meal, Sunflowerseed India	2007			2008			2009		
	2007/2008			2008/2009			2009/2010		
	Market Year Begin: Oct 2007			Market Year Begin: Oct 2008			Market Year Begin: Oct 2009		
	USDA Official Data		Old Post	USDA Official Data		Old Post	USDA Official Data		Jan
			Data			Data			Data
Crush	1,017	1,025	1,025	900	915	915	900	900	860
Extr. Rate, 999.9999	0.	0.	0.4761	0.	0.	0.4754	0.	0.	0.4767
Beginning Stocks	0	0	0	0	0	0	0	0	0
Production	482	488	488	426	435	435	426	425	410
MY Imports	0	0	0	0	0	0	0	0	0
MY Imp. from U.S.	0	0	0	0	0	0	0	0	0
MY Imp. from EU	0	0	0	0	0	0	0	0	0
Total Supply	482	488	488	426	435	435	426	425	410

Industrial Dom. Cons.	480	180	180	325	220	230	350	240	240
Food Use Dom. Cons.	4,585	4,400	4,400	6,150	5,300	5,400	6,200	5,300	6,400
Feed Waste Dom. Cons.	0	0	0	0	0	0	0	0	0
Total Dom. Cons.	5,065	4,580	4,580	6,475	5,520	5,630	6,550	5,540	6,640
Ending Stocks	47	128	123	489	1,153	1,185	389	663	995
Total Distribution	5,112	4,708	4,708	6,964	6,678	6,820	6,939	6,203	7,635